

Conceptualizing the influence of network competence on entrepreneurship growth in small and medium enterprises

ABSTRACT

Purpose - This paper proposes a conceptual model about the influence of network competence on entrepreneurship growth in manufacturing sector of small and medium sized enterprises (SMEs). **Design/methodology/approach** - This study is based on an extensive review of past research on network competence and entrepreneurship growth using human capital theory and resource-based theory. To conduct the literature review, we used keywords such as network competence, task performance, and entrepreneurship growth in the SMEs. **Findings** - From the literature reviewed, four predictors of SMEs growth have been identified. They are availability of resources, network orientation in managing human resources, integration of communication system and openness to corporate culture, which are based on human resource development (HRD) perspective. The framework offers a number of propositions, which explain the proposed model of entrepreneurship growth in SMEs as predicted by the network competence factors. **Practical implications** - Further research is suggested to test and validate the framework to provide empirical evidence. Upon model validation, the paper could offer practical interventions for HRD practitioners to assist SME managers towards developing and managing network competence to ensure entrepreneurship growth of SMEs. **Originality/value** - The paper adopted four factors of network competence to predict entrepreneurship growth in the SMEs. It uses human capital theory and resource-based theory to explain the influence of the four predictors. The research contributes to literature on the significance of network competence in promoting growth in SMEs.

Keyword: Network competence; Small and medium sized enterprise (SME); Task performance